



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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February 12, 2001

TO: Minerals File

FROM: Lynn Kunzler, Reclamation Specialist *LK*

RE: Site Inspection, American Gilsonite Company, Bonanza Mine, M/047/010, Uintah County, Utah

Date of Inspection: May 24, 2000

Time of Inspection: 11:00 am.

Conditions: Cloudy

Participants: Neldon Kunz, American Gilsonite; Lynn Kunzler and Jared Sorensen, DOGM

Purpose of Inspection: Evaluate Reclaimed Sites for Reclamation Success.

We began this inspection on the Rainbow seam. The R-1 site has been adequately reclaimed and could be released at this time. The R-2 and R-4 sites have been adequately revegetated, however, a cap over the seam is needed at each site. Mr. Kunz indicated that a pre-fab cap could be walked in with a backhoe, thus not impacting the established vegetation. Once the caps have been placed, these two sites could be released. The R-3 site has been capped, and reveg is ok with the exception of about 1/4 acre which is currently leased to UBET cellular for an antenna site. It is recommended that the land use be changed from wildlife habitat/grazing to commercial (cell phone relay site). With this action, R-3 could be released.

On the Little Emma seam, Site LE-4 has been adequately reclaimed and can be released at this time. Sites LE-17, LE-18 have also been reclaimed successfully. Site LE-19 has one shaft that was not reclaimed (needs cap) and about 1/2 acre needs to be reseeded. Site LE-20 has also been reclaimed. However, about 1/2 acre at this site also needs to be reseeded.

On the Wagon Hound seam, Sites WH-3 and WH-7 have been approved and are bonded. However, Mr. Kunz indicated that it will be some time in the future before any mining occurs. These sites were inspected to document no disturbance so that the bond for these sites could be dropped until such time as they are developed. This action will reduce the overall bond that needs to be carried by American Gilsonite.

Site B-14 on the Bonanza seam is an old pre-law shaft. A pump had been located in the shaft in the 80-s and early 90-s for dewatering of the seam. The pump has since been removed and the disturbed area has naturally revegetated. Even though the area was disturbed pre-law, it was felt that since the site was used for mining related activity in recent years, (i.e. pumping to de-water the seam), a cap should be placed over the shaft. No other reclamation would be needed at this site.

Site Inspection
American Gilsonite Company
Bonanza Mine
M/047/010
Page 2

As a general observation of the revegetation work observed, success has only been marginal. Soils are on the low side of fertility and very low in organic matter. The current revegetation plan calls for the application of 2 tons/acre of mulch (probably to help increase organic matter) and the use of commercial fertilizer (areas where fertilizer was used has a much higher weed component than areas that were not fertilized. Similar areas in the state have been reclaimed using composted manure (5-10 tons per acre application) and have had significantly better revegetation establishment. It is suggested that the next areas to be revegetated use an application of 5-10 tons/acre of composted manure rather than the fertilizer and mulch currently being used. If this proves to be successful in establishing a better stand of vegetation, the approved plan could be changed.

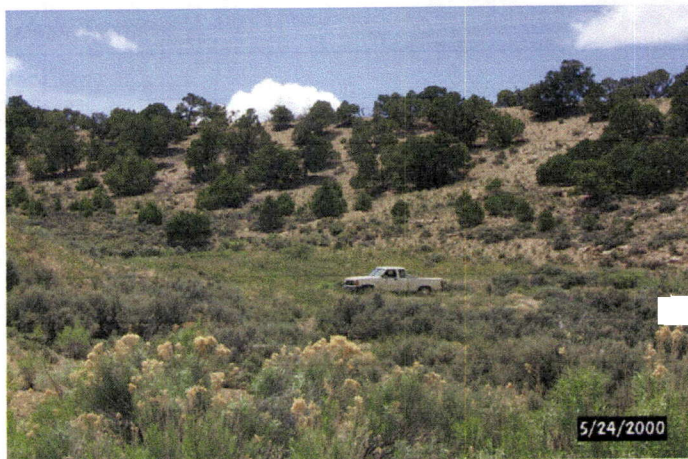
Several photos were taken.

jb
cc: Neldon Kunz, American Gilsonite
M47-10.ins

M/047/010 - AMERICAN GILSONITE

1/4

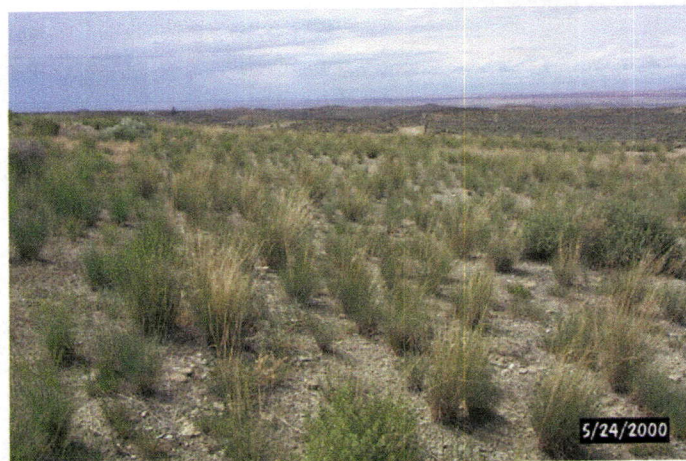
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M/047/010
2/4 5-24-00



M/047/010
3-24-00
3/4



M/047/010
5-24-00
4/4

